

February 12, 2003

James T. Jensen, Vice President
Savage Industries, Inc.
6340 South 3000 East, Suite 600
Salt Lake City, Utah 84121

Re: Conditional Approval of Non-Mining Related Road, Savage Industries, Inc., Savage Coal Terminal, C/007/022-AM03A, Outgoing File

Dear Mr. Jensen:

The above-referenced amendment is conditionally approved upon receipt of three clean copies, as well as updated C1 and C2 from prepared for incorporation. Please submit these copies by March 12, 2003. Once we receive these copies, final approval will be granted, at which time you may proceed with your plans.

A stamped incorporated copy of the approved plans will also be returned to you at that time for insertion into your copy of the Mining and Reclamation Plan. A copy of our Technical Analysis is enclosed.

If you have any questions, please feel free to call me at (801) 538-5268 or Stephen J. Demczak at (435) 613-5242.

Sincerely,

Pamela Grubaugh-Littig
Permit Supervisor

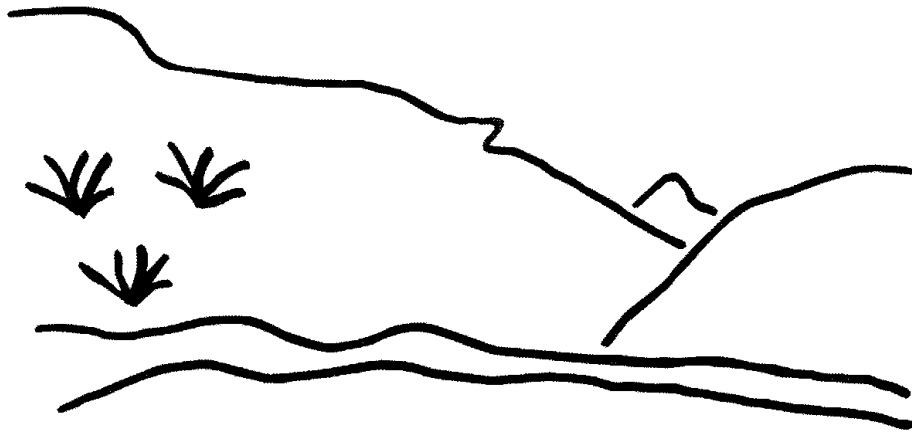
SJD/sd

Enclosure:

cc: Mark Page, Water Rights, w/o
Dave Ariotti, DEQ, w/o
Derris Jones, DWR, w/o
Boyd Rhodes, Savage, Ltr and TA
Dan Guy, Blackhawk Eng, Ltr and TA
Price Field Office

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State of Utah



Utah Oil Gas and Mining

Coal Regulatory Program

Savage Coal Terminal
Non-Mining Related Road
C/007/022-03A
Technical Analysis
February 7, 2003

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TECHNICAL ANALYSIS

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The Division regulates the Surface Mining Control and Reclamation Act of 1977 (SMCRA). When mines submit a Permit Application Package or an amendment to their Mining and Reclamation Plan, the Division reviews the proposal for conformance to the R645-Coal Mining Rules. This Technical Analysis is such a review. Regardless of these analyses, the permittee must comply with the minimum regulatory requirements as established by SMCRA.

Readers of this document must be aware that the regulatory requirements are included by reference. A complete and current copy of these regulations and a copy of the Technical Analysis and Findings Review Guide can be found at <http://ogm.utah.gov/coal>

This Technical Analysis (TA) is written as part of the permit review process. It documents the Findings that the Division has made to date regarding the application for a permit and is the basis for permitting decisions with regard to the application. The TA is broken down into logical section headings which comprise the necessary components of an application. Each section is analyzed and specific findings are then provided which indicate whether or not the application is in compliance with the requirements.

Often the first technical review of an application finds that the application contains some deficiencies. The deficiencies are discussed in the body of the TA and are identified by a regulatory reference which describes the minimum requirements. In this Technical Analysis we have summarized the deficiencies at the beginning of the document to aid in responding to them. Once all of the deficiencies have been adequately addressed, the TA will be considered final for the permitting action.

It may be that not every topic or regulatory requirement is discussed in this version of the TA. Generally only those sections are analyzed that pertain to a particular permitting action. TA's may have been completed previously and the revised information has not altered the original findings. Those sections that are not discussed in this document are generally considered to be in compliance.

INTRODUCTION

INTRODUCTION

The permittee would like to construct an access road running approximately 250 feet from the existing haul road to the main entrance to the site. This road is within Savage Loadout permit area. This new road will be for a non-mining related activity. This road is to safely access non-mining businesses adjacent to the Savage Loadout. At no time will this road be used to access the Savage Loadout facilities.

OPERATION PLAN

OPERATION PLAN

TOPSOIL AND SUBSOIL

Regulatory Reference: 30 CFR Sec. 817.22; R645-301-230.

Analysis:

Topsoil Removal and Storage

The permittee has not addressed the salvaging of topsoil because this road is non-mining related and is not covered under the R645 Coal Rules.

Findings:

The permittee has met the minimum requirements of this section.

VEGETATION

Regulatory Reference: R645-301-330, -301-331, -301-332.

Analysis:

Vegetation will be removed but will not necessarily follow any R645 Coal Rules. This activity is considered non-mining related.

Findings:

The permittee has met the minimum requirements of this section.

ROAD SYSTEMS AND OTHER TRANSPORTATION FACILITIES

Regulatory Reference: 30 CFR Sec. 784.24, 817.150, 817.151; R645-301-521, -301-527, -301-534, -301-732.

Analysis:

Road Classification System

The permittee has stated in the cover letter that the non-mining related road will be constructed to the same standards as the existing haul road used at Savage Loadout.

Plans and Drawings

No plans or drawings have been submitted for the non-mining related road. This is not required since it is non-mining related. R645 Coal Rules do not apply.

Performance Standards

Performance standards are not applicable since this road construction is non-mining related.

Primary Road Certification

Certification is not required since it is a non-mining related road.

Findings:

The permittee has met the minimum requirements of this section.

OPERATION PLAN

HYDROLOGIC INFORMATION

Regulatory Reference: 30 CFR Sec. 773.17, 774.13, 784.14, 784.16, 784.29, 817.41, 817.42, 817.43, 817.45, 817.49, 817.56, 817.57; R645-300-140, -300-141, -300-142, -300-143, -300-144, -300-145, -300-146, -300-147, -300-147, -300-148, -301-512, -301-514, -301-521, -301-531, -301-532, -301-533, -301-536, -301-542, -301-720, -301-731, -301-732, -301-733, -301-742, -301-743, -301-750, -301-761, -301-764.

Analysis:

General



Drainage control for this non-mining road is not required. However, a culvert will be installed through the road for drainage control. This will affect the Savage Loadout, and therefore, is part of the Mining and Reclamation Plan. The permittee has given culvert sizing and calculations. These calculations have been reviewed and met the R645 Coal Rule requirements.

Findings:

The permittee has met the minimum requirements of this section.



MAPS, PLANS, AND CROSS SECTIONS OF MINING OPERATIONS

Regulatory Reference: 30 CFR Sec. 784.23; R645-301-512, -301-521, -301-542, -301-632, -301-731, -302-323.

Analysis:

Mining Facilities Maps

The permittee has updated the mine facility map to include the non-mining related road. This is on Plate 3-2.

Findings:

The permittee has met the minimum requirements of this section.



RECLAMATION PLAN

RECLAMATION PLAN

GENERAL REQUIREMENTS

Regulatory Reference: PL 95-87 Sec. 515 and 516; 30 CFR Sec. 784.13, 784.14, 784.15, 784.16, 784.17, 784.18, 784.19, 784.20, 784.21, 784.22, 784.23, 784.24, 784.25, 784.26; R645-301-231, -301-233, -301-322, -301-323, -301-331, -301-333, -301-341, -301-342, -301-411, -301-412, -301-422, -301-512, -301-513, -301-521, -301-522, -301-525, -301-526, -301-527, -301-528, -301-529, -301-531, -301-533, -301-534, -301-536, -301-537, -301-542, -301-623, -301-624, -301-625, -301-631, -301-632, -301-731, -301-723, -301-724, -301-725, -301-726, -301-728, -301-729, -301-731, -301-732, -301-733, -301-746, -301-764, -301-830.

Analysis:

The permittee has committed to reclaim the non-mining related road during the reclamation of the Savage facilities.

Findings:

The permittee has met the minimum requirements of this section.

BONDING AND INSURANCE REQUIREMENTS



Regulatory Reference: 30 CFR Sec. 800; R645-301-800, et seq.

Analysis:

General

No additional bond will be required since the road is non-mining related.

Findings:

The permittee has met the minimum requirements of this section.